

March 23, 1983

Roberta Baruch, Esq.
Deputy Assistant Director
for Evaluation
Bureau of Competition
Federal Trade Commission
7th & Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Newly-Formed Partnerships

Dear Ms. Baruch:

This letter is to confirm our telephone conversation of Monday, March 21, 1983, regarding the application to newly-formed partnerships of the premerger notification requirements of Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, Pub. L. 94-435, 90 Stat. 1390, 15 U.S.C. § 18a.

Our understanding is that premerger notification is not required of a partnership if the partnership is newly formed and has either no assets or assets less than \$10 million other than assets to be used as consideration in making an acquisition.

If our understanding is either incorrect or incomplete, it would be appreciated if you would so advise us. Thank you for your assistance.

With best regards.

called 4-25-82

If any of the individuals involved in this transaction meets the size of person test & size of transaction test then it is probably reportable. Since the bank has \$55 million in assets, the \$10 million dollar person is satisfied. Consequently, if any of the individuals are \$100 million persons then they may have to report.

Are the individuals forming a corp?
- No.

The proposed rules changes package of 7-29-81 would exempt these types of transactions.

Normally, whichever govt agency reviews your application will also let you know if a filing is required under Hart-Scott-Rodino. The few filings we do get are subject to the change in bank control act.

~~_____~~
~~_____~~

3/4/33

info. to be reported required

Client in explanation & direct effect & gas properties

within 6 mos. field of interests per its oil & gas interests - relatively small of oil. Client total operations

In effect client also another partner who keeps paying state - limited & general partnership K & A

X at
If they had been partners originally - no report

But are bringing in new partners - selling off a piece of oil & gas interests to a mineral right interest of partnership companies & doesn't include all of proceeds of oil

- If look at the interest that is being sold to the new partner - look at a union

This client - Client has 10 of programs each one is a partnership of A, B, C & D. It is now selling an interest in the 10 to new partners & plus only 2 of the total of oil interest being sold.

to include
has been advised
that most of the present
assessing dollar increases is
not, but they are not
separable since they are
cases of a rise in ordinary
course of business.
The C. & S. L. of the
adviser accepts that

But now it is an almost
physical situation except
for a program E

Program E
The general assets are
being expanded & developed, but
they are now producing
The new pattern is not only
a steady part of B but
also part of E. It is
is a bit, but that is not
the only part
The thing is, setting legs
less 10% of its direct
reference to that part
of assets is in producing within
the same pattern as outlined
E is not repeatable
E is also addition of producing
is the best change with of
all of the C.

3/25/83.

~~_____~~ says about R of
Counsel
JTP is under review
& situation may change
but as of now
he can operate on premises

JTP low - sale of a JTP JTP
is formation of a new JTP
not sale of an old one
but under review
of Justice Dept. - taking time to study - for
some time ago a letter
discussing it
- also met some parties

3/25/83

~~_____~~ said he would check
an item of JTP
involved to verify the
& would call back

~~_____~~ atty

#SR Q -

Atty client privilege
as excuse -

Letter to _____

Reference in release
discussing July 8/1 persons
with charge

In 77 FRP - 4-11-68
as per [unclear]

A - B - Statutory merger
A into B -

Both parties

stock exchange

A. shhs. will

A. shhs. will get B stock

B. shhs. ~~will not~~ will not
bring holdings

B Corp will acquire A Corp.

(A)

(B)

B -

I referred her to 7/29/81 for
discussion

I said B will be acq. corp.
to a stock (acq.) + separate

Also separately shhs of A may
have to report as a corp. partner
if by size & transaction large corp.